

MONTANA LEGISLATIVE HISTORY

Chapter 654 19 83

Bill H 820 S \_\_\_\_\_ Original bill & history C

H. Committee on Highways & Transportation

Hearing Date(s) Feb 19 ☒ C

\_\_\_\_\_ C

\_\_\_\_\_ C

\_\_\_\_\_ C

Date Out Feb 19 ☒ C

S. Committee on Finance and Claims

Hearing Date(s) Apr 12 ☒ C

Apr 13 ☒ C

\_\_\_\_\_ C

\_\_\_\_\_ C

Apr 13 ☒ C

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Did this bill originate in an interim committee? Yes No

Committee \_\_\_\_\_

Report \_\_\_\_\_

REFERRED TO COMMITTEE ON BUSINESS & INDUSTRY: 3/1/83

HEARING: 3/21/83

REPORT: 3/24/83, BE CONCURRED IN

2ND READING: 03/26/83, BE CONCURRED IN AYES: 13; NAYS: 34

2ND READING: 03/26/83, BE INDEFINITELY POSTPONED AYES: 37; NAYS: 10  
BILL KILLED

HB 819 -- ASAY, STIMATZ, J. JACOBSON, ET AL. -- TO APPROPRIATE FUNDS TO THE MINING  
BUREAU OF MINES AND GEOLOGY FROM THE RENEWABLE RESOURCES DEVELOPMENT ACCOUNT FOR  
MONITORING AND ASSESSING IMPACTS ON GROUND WATER IN SENSITIVE AREAS AND FOR  
IMPLEMENTING A GROUND WATER INFORMATION SYSTEM.

INTRODUCED: 02/15/83

REFERRED TO COMMITTEE ON APPROPRIATIONS: 02/15/83

HEARING: 3/23/83

REPORT: 03/28/83, DO PASS, AS AMENDED

2ND READING: 03/28/83, DO PASS AYES: 54; NAYS: 33

3RD READING: 03/28/83, DO PASS AYES: 61; NAYS: 32

TRANSMITTED TO SENATE: 3/28/83

REFERRED TO COMMITTEE ON FINANCE & CLAIMS: 4/5/83

HEARING: 4/12/83

REPORT: 4/13/83, BE CONCURRED IN, AS AMENDED

2ND READING: 04/14/83 AYES: 50; NAYS: 0

3RD READING: 04/15/83 AYES: 48; NAYS: 0

RETURNED TO HOUSE WITH AMENDMENTS: 4/16/83

2ND READING: 04/18/83, BE CONCURRED IN AYES: 90; NAYS: 6

3RD READING: 04/18/83, BE CONCURRED IN AYES: 97; NAYS: 3

TRANSMITTED TO GOVERNOR: 04/21/83

SIGNED: 4/26/83

HB 820 -- ASAY, GOODOVER, GRAHAM, ET AL. -- ESTABLISHING AN ACCOUNT TO RETIRE A  
PORTION OF THE PROCEEDS OF LONG-RANGE BUILDING PROGRAM BONDS TO PROVIDE LOANS FOR THE  
SPONSOR'S SHARE OF AIRPORT IMPROVEMENT PROJECTS; AMENDING ....

INTRODUCED: 02/15/83

REFERRED TO COMMITTEE ON HIGHWAYS & TRANSPORTATION: 02/15/83

HEARING: 2/19/83

REPORT: 02/19/83, DO PASS

2ND READING: 02/22/83, DO PASS AYES: 92; NAYS: 5

3RD READING: 02/23/83, DO PASS AYES: 96; NAYS: 3

TRANSMITTED TO SENATE: 02/23/83

REFERRED TO COMMITTEE ON FINANCE & CLAIMS: 3/1/83

HEARING: 4/6/83

REPORT: 4/13/83, BE CONCURRED IN, AS AMENDED

2ND READING: 04/14/83 AYES: 50; NAYS: 0

3RD READING: 04/15/83 AYES: 48; NAYS: 0

RETURNED TO HOUSE WITH AMENDMENTS: 4/16/83

2ND READING: 04/18/83, BE CONCURRED IN AYES: 96; NAYS: 0

3RD READING: 4/18/83, BE CONCURRED IN AYES: 98; NAYS: 0

TRANSMITTED TO GOVERNOR: 04/21/83

SIGNED: 4/27/83, CHAPTER 654

MINUTES OF THE MEETING OF THE HOUSE HIGHWAYS AND  
TRANSPORTATION COMMITTEE, FEBRUARY 19, 1983

The meeting was called to order by Chairman Abrams on Saturday, February 19, 1983 at 9am, in Room 129, State Capitol. All members were present with the exception of Rep. Howe, who was absent.

HEARINGS

HOUSE JOINT RESOLUTION 26. REP. GENE ERNST, District 47, Judith Basin County testified as sponsor of the resolution which urges congress to limit amendments to bills to the subject matter contained in the bill.

PROPONENTS

There were no proponents of the bill.

OPPONENTS

There were no opponents of the bill and Rep. Ernst closed.

QUESTIONS

There were no questions from the Committee.

HOUSE BILL 820. REP. TOM ASAY, District 50, Rosebud County, testified as sponsor of the bill which pertains to long range building funds for airport improvement. He told the Committee there are 70 eligible airports in communities in the State for which major improvement funds would be available, adding maintenance was not included. He explained the bill is not a "jobs bill" but would create jobs in the State and said funding would be set up on a loan basis whereby any unmatched funds would be provided to other airports within the U.S. Rep. Asay advised \$39 million would be made available to Montana from the aviation fuels tax during the next few years.

PROPONENTS

MR. BRUCE PUTNAM, Billings, President of the Montana Airport Managers Association, told the Committee he represented between 20 and 25 airports within the State. He said his organization supports the bill as the loan program is an important one and would benefit at least one airport in every county of the state. He explained federal funds are matched either by a sponsor or local shares at 10%, adding the real benefit is to small airports which will be allowed to repay the loan over an extended period of time. He requested committee support of the bill, stating it would benefit all Montanans (exhibit).

primarily responsible for any decisions and the new Mountain Regional Office in Seattle has established a field office in Helena, which would have input.

REP. LYBECK asked if funds could be transferred between airports. Mr. Ferguson responded, telling him funds not utilized by an airport would be provided to the next airport on the list waiting for funding.

REP. UNDERDAL asked how the application process worked. Mr. Ferguson said a federal grant application would need to be completed coincidentally with a state loan application.

REP. KEYSER asked if a city would need an NASP designation to qualify for funds. There was no response to his question.

REP. ASAY closed and the hearing on House Bill 820 was closed.

#### EXECUTIVE SESSION

HOUSE BILL 820. REP. O'CONNELL moved the bill Do Pass. Rep. Keyser seconded the motion, which was approved by all members except Rep. Hammond, who abstained.

HOUSE JOINT RESOLUTION 26. REP. KEYSER moved the bill Do Pass. Rep. Koehnke seconded the motion, which was approved with all members voting aye except Rep. Brown, who voted no.

HOUSE BILL 636. REP. HEMSTAD moved the bill Do Pass and then moved that page 1, line 14 of the bill be amended to "250", striking "100", and that page 1, lines 17-19, be stricken in their entirety. Rep. Hemstad told the Committee a point system would be used when a violation occurred, referring to the Statement of Intent, and suggested the language remain in the bill. She said there are eleven rules to be followed in filing a flight plan which she believes are not restrictive. Rep. O'Connell seconded the motion.

REP. KOEHNKE asked if several words in the title were not superfluous. Mr. Greg Petesch, Legislative Council Attorney, replied they were.

REP. STOBIE asked why "Montana public controlled airports" language had been omitted from the proposed amendment and said without this language the bill would be unworkable for small airports.

Highways Committee Minutes  
February 19, 1983  
Page 2

SEN. PAT GOODOVER, District 22, Great Falls, asked Mr. Gary Buchanan, Director, Department of Commerce, to address the bill. Mr. Buchanan said the revolving loan program would be set up within the Division of Aviation and Aeronautics, adding it was an opportunity for leverage for the State and urging committee support of the bill.

MR. TOM CRIPPEN, Butte, Montana Business Aircraft and Business Trades Association, advised the Committee of the importance of air travel to business. He said sophisticated planes require sophisticated air strips, which the bill would enable and urged committee support of the bill.

MR. BILL ATWOOD, Manager, Great Falls Airport, also requested committee support of the bill.

MR. HUGH KELLEHER, Helena Airport Manager, told the Committee every airport in the nation is requesting these funds and Montana would lose a great opportunity if it did not participate.

MR. KEN CURTIS, Northwest Airlines, stated his support of the bill.

REP. DAVE BROWN, District 83, stated his support of the bill as a representative of the Butte-Silver Bow Airport.

MR. MIKE FERGUSON, Division of Aeronautics, Department of Commerce, provided the Committee with prepared testimony advising of \$57 million needed for Montana's airports during the next five years.

REP. HELEN O'CONNELL, District 34, Cascade, testified for Mr. Teshovick in support of the bill.

OPPONENTS

There were no opponents of the bill.

IN CLOSING, Rep. Asay advised committee members of a recent situation whereby a muddy runway prevented a plane from landing.

QUESTIONS

REP. KOEHNKE asked who would decide which airports were to receive funding. Mr. Ferguson replied the FAA would be

# STANDING COMMITTEE REPORT

FEBRUARY 19

19 33

MR. **SPEAKER:**

We, your committee on **HIGHWAYS AND TRANSPORTATION**

having had under consideration **HOUSE** Bill No. **320**

**FIRST** reading copy ( **WHITE** )  
color

A BILL FOR AN ACT ENTITLED: "AN ACT ESTABLISHING AN ACCOUNT  
TO RECEIVE A PORTION OF THE PROCEEDS OF LONG-RANGE BUILDING  
PROGRAM BONDS TO PROVIDE LOANS FOR THE SPONSOR'S SHARE OF  
AIRPORT IMPROVEMENT PROJECTS; AMENDING SECTION 67-1-301,  
NCA; AND PROVIDING AN IMMEDIATE EFFECTIVE DATE."

Respectfully report as follows: That..... **HOUSE** Bill No. **320**

DO PASS

**REP. HUBERT ABRAMS**

Chairman.

STATE PUB. CO.  
Helena, Mont.

COMMITTEE SECRETARY

## VISITORS' REGISTER

HOUSE

## Highways

COMMITTEE

BILL

HB 820

Date \_\_\_\_\_

2-19-83

SPONSOR

# Essay

[illegible]

IF YOU CARE TO WRITE COMMENTS, ASK SECRETARY FOR LONGER FORM.

PLEASE LEAVE PREPARED STATEMENT WITH SECRETARY.

WITNESS STATEMENT

Name Tom Crippen Committee On Highways &  
Address 240 Hagel Dr Bette Date 19 Feb 1983  
Representing Mentana Business Aircraft Support X  
Mentana Aviation Trades  
Bill No. 921 Oppose \_\_\_\_\_  
Amend \_\_\_\_\_

AFTER TESTIFYING, PLEASE LEAVE PREPARED STATEMENT WITH SECRETARY.

Comments:

1. Business people use Airports in different ways some for transportation of goods to be sold, for people parts, for transportation of people. we Business people who own and operate Aircraft require will mo
2. Airports that have up to date facilities. ~~Funding for~~ this Bill would create funding to provide the TFF of Airports we need
3. From a trade stand point we also need Airports capable of handling our airplanes we use almost every Airport in the state. This Bill would create kind of funding needed for these Airports
- 4.

Itemize the main argument or points of your testimony. This will assist the committee secretary with her minutes.



WITNESS STATEMENT

Name KENNETH CURTIS

Committee On Highway Transportation

Address HELENA, MT.

Date 2-19-83

Representing NORTHWEST AIRLINES

Support X

Bill No. H B 820

Oppose \_\_\_\_\_

Amend \_\_\_\_\_

AFTER TESTIFYING, PLEASE LEAVE PREPARED STATEMENT WITH SECRETARY.

Comments:

1.

*COPY ATTACHED*

2.

3.

4.

Itemize the main argument or points of your testimony. This will assist the committee secretary with her minutes.

WITNESS STATEMENT

Name J. Bruce Purnham Committee On Highways/Transportation  
Address Billings Date 2-19-83  
Representing Montana Airport Management Assoc. Support X  
Bill No. HB 820 Oppose \_\_\_\_\_  
Amend \_\_\_\_\_

AFTER TESTIFYING, PLEASE LEAVE PREPARED STATEMENT WITH SECRETARY.

Comments:

1.

2.

3.

4.

Itemize the main argument or points of your testimony. This will assist the committee secretary with her minutes.



NORTHWEST ORIENT

City - County Airport Helena, Montana

February 18, 1983

HOUSE BILL 820

MR. CHAIRMAN/MEMBERS OF THE COMMITTEE:

I AM KEN CURTIS AND AM THE LOCAL MANAGER FOR NORTHWEST AIRLINES IN HELENA AND HAVE BEEN WITH NORTHWEST FOR TWENTY YEARS. I AM HERE REPRESENTING ALL AIR CARRIERS SERVING MONTANA TO VOICE OUR SUPPORT OF HB 820.

WE FEEL IT IS ESSENTIAL THAT FUNDS BE MADE AVAILABLE TO PROVIDE THE STATES 10% MATCH OF AVAILABLE FEDERAL MONIES FOR AIRPORT IMPROVEMENT PROJECTS AND THIS BILL PROVIDES A GOOD VEHICLE FOR OBTAINING THOSE FUNDS. OTHER AVENUES FOR OBTAINING THE REQUIRED FUNDS, I.E., DIRECTING THE COSTS PRIMARILY TO THE AIRLINES WOULD BE UNACCEPTABLE PLACING ADDITIONAL HARDSHIP ON AN ALREADY FINANCIALLY TROUBLED INDUSTRY. THE AIRLINES ARE PRESENTLY PAYING OUR FAIR SHARE OF COSTS IN THE WAY OF AIRCRAFT, PROPERTY AND FUEL TAXES, LANDING FEES AND FACILITIES RENTAL.

AGAIN, THE AIRLINES FEEL HB 820 PROPOSES A VIABLE METHOD OF GENERATING FUNDS FOR AIRPORT IMPROVEMENT PROJECTS AND WE SUPPORT THE BILL.

LADIES AND GENTLEMEN, THANK YOU FOR LISTENING.

**MONTANA  
AIRPORT  
MANAGEMENT  
ASSOCIATION**

*Joseph R. Kelleher, A.A.P. - Executive Secretary  
Helena Airport, Helena, Montana 59601*

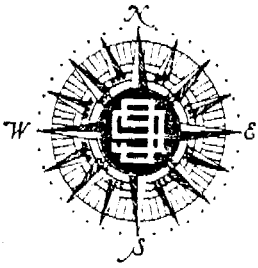
TESTIMONY OF J. BRUCE PUTNAM  
PRESIDENT - MONTANA AIRPORT MANAGEMENT ASSOCIATION  
BEFORE HOUSE HIGHWAY/TRANSPORTATION COMMITTEE  
REGARDING HB 820

"An act to provide loans for the sponsors share of  
Airport Improvement Projects"  
SATURDAY FEBRUARY 18, 1983

The Montana Airport Management Association membership is composed of the managers of many of Montana's airports. We strongly urge your support of HB 820 which will establish an important loan program to provide sponsors share monies to match Federal Airport Improvement Program (AIP) Grant funds. These Federal user generated trust monies are parcelled back out to eligible airports in Montana (approximately 70 Montana airports are eligible) based on a 90%/10% formula. Therefore, eligible Montana airports can receive 90¢ of a construction dollar from the Federal AIP Program by contributing only 10¢ to the match.

The loan program for the sponsors share match provided in HB 820 would insure that many of Montana's airports could use the available Federal Grant funds. It is the opinion of the Montana Airport Management Association that this would benefit all of the eligible Montana airports but would especially benefit many of the state's smaller airports. This is because many of our smaller airports have a difficult time generating even the 10% sponsors match monies necessary to capture the 90% Federal funds.

Passage of this bill would be a step in the right direction toward insuring the continued operational efficiency and safety as well as the fiscal viability of Montana's important aviation system. We must remember that in a sparsely populated, geographically large state like ours, all Montanans benefit from the existence of these important airport facilities.



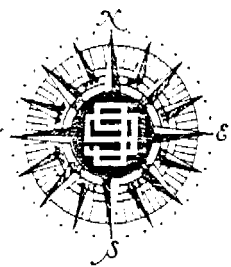
## MONTANA CHAPTER NINETY-NINES, Inc.

STATEMENT OF DOROTHY K. CURTIS  
CHAIRMAN - MONTANA CHAPTER NINETY-NINES, INC.  
BEFORE THE HOUSE HIGHWAY AND TRANSPORTATION COMMITTEE  
REGARDING HB 820  
FEBRUARY 19, 1983

The Montana Chapter of Ninety-Nines, the international organization of women pilots, urges your support of HB 820, "An act establishing an account to receive a portion of the proceeds of long-range building program bonds to provide loans for the sponsor's share of airport improvement projects...." Passage of this bill would provide airports, ie. communities, across Montana with a source of funds with which to gain access to over 12 million dollars authorized by Congress for use in Montana through the Airport Improvement Program (AIP). If these funds are not used within the required time period they will no longer be authorized for the exclusive use by our state. This would mean not only the loss of resources to build and strengthen Montana's airport system, but also a loss of jobs for Montanans which would have been available through airport construction programs.

Airports are vital to the development of Montana. They are every citizen's link to the state, national, and worldwide air transportation system. Through airports pass airplanes, vehicles which shrink time and distance, thereby making Montana's 147,138 square mile size compatible with the pace of the modern business world. Many new businesses and industries rely on aviation as a tool to further growth and maintain efficiency; a strong airport system would be an appealing attraction to these businesses. Mail passes through airports into our communities. Millions of pounds of high value freight pass into and out of our communities by air; items as diverse as replacement drill bits to organ transplants travel by air. Airports link Montanans to the finest medical care available anywhere in the state or the world.

It is for these, and many more reasons, that we urge support of our airports by passage of HB 820. This bill will create growth in Montana through increased jobs, enhanced facilities, and an improved transportation and delivery system for all of our citizens.



**MONTANA CHAPTER NINETY-NINES, Inc.**

909 North 32 Street  
Billings, MT 59101  
February 20, 1983

The Honorable Hubert Abrams, Chairman  
House Highway and Transportation Committee  
Montana House of Representatives  
State Capitol  
Helena, MT 59601

Dear Mr. Abrams:

Enclosed is a copy of a statement which I wished to make before the House Highway and Transportation Committee on Saturday, February 19, regarding HB 820. Unfortunately, the weather over Bozeman pass that morning prevented me from getting to Helena.

Consequently, I am sending the statement to you as I would still like you and your committee to know the feeling of the Montana Chapter of Ninety-Nines with regards to this legislation.

Thank you very much for your time.

Sincerely yours,

Dorothy K. Curtis, Chairman  
Montana Chapter Ninety-Nines

# Certificate of Award

\$\$

\$\$

M I L L I O N S   F O R   M O N T A N A N S

## WHAT'S AT STAKE

\$13,000,000 in Federal Grant funds  
available for Montana airports

## WHY IT'S IMPORTANT

Use it or lose it  
Create jobs now  
Stimulate economic recovery

## WHAT'S NEEDED

10% matching fund  
\$1,458,000 during biennium

## WHO SUPPORTS IT

Aviation Trade Associations

How will this program be administered? The Sponsors' share - \$1,458,000 - will be deposited in a trust account within the Montana Aeronautics Division. Money from this account will be used solely for the AIP program. Acceptance of the Federal Grant Offer by the Sponsor (community and/or airport) will serve as approval authority for the Division to release the percentage of these funds needed.

What are the Sponsor's obligations? In order to qualify for the Federal Grant Offers, the Sponsor must meet and agree to a set of assurances from the Federal Aviation Administration which include the ability to maintain the facilities. In addition, the Aeronautics Division will require the communities/airports to show ability to maintain the facilities and require assurances that the airports will remain open for public use. If a community should fail to comply with these assurances it may be denied a second Grant.

What will AIP funds mean to Montana? JOBS! Contractors, suppliers, labor trades and others will find numerous, major, new construction projects immediately available once the Federal Grant Offers are accepted by the Sponsors and the matching funds are secured from the Montana Aeronautics Division. These jobs, as are the airports involved, will be located throughout the state. Putting Montanans back to work will bring increased spending in all facets of a community's economy and will mean increased revenues to the state through a strengthened tax base. An improved airport system could also attract modern business and industry which rely on aviation as a means to further growth and efficiency.

What will happen to unused trust funds? Unallocated trust funds will be returned to the General Fund at the end of the biennium.



An opportunity currently exists to infuse \$14,596,000 into Montana's economy during the next biennium. Ninety percent of this money, \$13,138,000, already has been allocated, through a federal program, for use by airports in Montana. But to get access to these funds it will be necessary for Montana's airports to have available \$1,458,000 from the General Fund as the Sponsors' 10% matching share.

What is this federal program? The federal funds are available through a matching share program called AIP (Airport and Airways Improvement Act of 1982). The funds are collected from user fees placed upon the aviation system. States are allotted funds from two categories: enplanement funds which are based upon the total number of passenger boardings at air carrier airports, and apportionment funds which are based on an area/population formula.

IF A STATE DOES NOT USE ITS ALLOTTED FUNDS - IT LOSES THEM!!

Who will be affected by this program? Seventy airports in communities throughout Montana are eligible for AIP funds. These airports all belong to NASP (National Airport System Plan). Of these 70 airports, seven are air carrier airports and will receive enplanement funds; the other 63 airports are eligible for apportionment funds.

Why is investment in airports critical? There is a pressing need to infuse dollars into the Montana Airport System. A recent study by T.A.P., Inc. for the Montana Aeronautics Division identified the need for nine new airports and listed an additional ten airports that will become unuseable if not substantially improved immediately.

Why is it important to act now? The Airport Improvement Program is currently funded through fiscal year 1988 with Federal funds having already been allocated on a fiscal year basis to each of the states. Montana has access to \$39,108,000 over the next five years through both enplanement and apportionment AIP funds (\$31,608,000), and through eligibility for discretionary AIP funds (\$7,500,000). If the 10% Sponsors' share is not provided our airports will lose access to the 90% Federal share for investment in the state's economy. Each year that funding is delayed for lack of the Sponsors' share, is a loss of millions of dollars to Montana.

Who supports this request for General Funds? The request for General Funds for use as the Sponsors' share to match Federal funds in the AIP program is supported by the Montana Aviation Advisory Council which is comprised of the following organizations:

Montana Airport Managers Association

Montana Aviation Trades Association

Montana Business Aviation Association

Montana Chapter Ninety-Nines, Inc.

Montana Pilots' Association

Representatives of the Airlines serving Montana

HOUSE HIGHWAYS AND TRANSPORTATION COMMITTEE

Bill Summaries

HB 820 establishes an earmarked revenue account to be used to provide loans to governmental agencies for airport improvement projects not to exceed the sponsor's share under the federal Airport Improvement Act. Funding for the account is to come from a portion of long-range building program bonds.

HJR 26 urges the U.S. Congress to adopt rules prohibiting unrelated amendments and riders from being attached to bills.

MR. BUCHANAN: The majority of these programs is to help existing business. To survive, start up and expand. The attraction of outside business is the war between states. I don't think it would do much good to put too much money in there. The brunt of these programs is not an out-of-state business, but helping local businesses survive.

Rep. Vincent, in closing, said Sen. Dover, there are a couple of provisions in the bill funding a government council on economic development and Montana Development Board. In some way, between those, the Department has something to say relative to the effect directed by some of these programs. It would make for more citizen and Legislative control. The business community has come to us and said this bill helps them and it will help the people in the state too. Programs like HB 1 will not pass in other states to enhance economic development.

Sen. Himsel declared the hearing on HB 1 closed.

CONSIDERATION OF HOUSE BILL 820: Rep. Tom Asay said this is an act to provide loans for airport improvement projects: the money collected in Montana through fuel, freight, etc. It requires a 10% match from participating states. If not, it will revert to other states. There is provided in Long Range Building about \$1,300,000. That will be the bonding authority to provide these airports around the state to qualify to participate in these funds. It is a one biennium program. The money from this bonding will be repaid to the state of Montana. The interest will be as low as possible.

MR. BUCHANAN, Director of Department of Commerce, said they support this bill and airport improvements throughout the state show they need improvements and this is money that would not only keep up the airports. You are dealing with the bonding program in another bill.

There were no further proponents, no opponents and Sen. Himsel asked if there were questions on the bill.

SEN. REGAN: I don't know how to address it in a delicate manner. Mr. Buchanan tried to allude to it. There is another bill in the Senate Taxation Committee and I guess what I am trying to determine - this provides for some kind of a borrowing mechanism but the other bill provides tax money up front. We could attract more money.

MR. BUCHANAN: I am a little off balance here. I didn't know that 820 was coming up. There is a bill coming up in Taxation for 1 cent per gallon. It would not raise sufficient funds to match the \$14 million in this biennium. A current airport program that it could help is the summer airports that are not eligible for the other programs.

SEN. DOVER: I don't have any more. This one has to have a match. 10%--\$1.3 million--a 1-10 match here and a bonding program.

SEN. REGAN: A bonding program would require a 2/3 vote on the floor. Is that correct?

SEN. HIMSL: In Long Range Building we voted \$1.3 million that matches the state's share to develop a grant from the government of over \$13 million. This is a proposal. It is the mechanism to develop something else. It is a one-shot program. We put in \$1 million and the Feds put in \$13 million, but if developing a fancy program and take this money and start loaning it to the different airports to get a little on it - that is a different program. This is a structure to work out a legislative program to replenish the fund so that they could match more down the line.

SEN. REGAN: The money has already been appropriated to underwrite the bonds. Paying this authorizes the Department to carry the loan program into it. I want to have it up front. How does the tax bill in Taxation, that would require a 1 cent per gallon on air fuel, relate to this?

REP. ASAY: This money is available for other purposes almost entirely for routine work. HB 820 merely sets up an account to handle the bonding program.

MR. BUCHANAN: For years the Division of Aeronautics has had a loan program paid for by air fuel tax. A deficit has come up. The government has recommended a 1 cent fuel tax. It is a separate bill. It is not related to this program which matches federal funds.

SEN. REGAN: I am trying to put the two bills together. Why obligate the State to a bonding program? You are saying the two things are entirely separate.

SEN. HIMSL: There is no building in this at all. The source of this money is the Long Range Building. It is authorized and is available. That money matches the federal money. They want to, say, instead of giving it, loan it.

MR. BUCHANAN: Some of these aviation people come to us and they say out-right grants. There is some concern about the sponsors and the administration. They said, what about loans? The big switch was from a grant to a loan program.

Rep. Asay closed by saying irregardless of funding we have to match that program. Rural people will repay the money and we will have jobs and airports.

Sen. Himsl announced the hearing closed on HB 820.

CONSIDERATION OF HOUSE BILL NO. 407: Rep. Jan Brown, District 32, Helena, said 407 would provide a \$25,000 appropriation for a coordinator to set up a statewide network of food banks. In the interest of time I will let other interested people give short testimony. Information sheet attached.

JULIE HINTZ: There is \$82,000 worth of food in Bozeman. We collect edible but non-salable food from stores. For every \$2 spent on this bill \$12.72 would be generated. This will also help everybody to get

ROLL CALL

FINANCE AND CLAIMS COMMITTEE

48th LEGISLATIVE SESSION - - 1983

Date 4/12/83

| NAME                    | PRESENT | ABSENT | EXCUSED |
|-------------------------|---------|--------|---------|
| Senator Etchart, VC     | ✓       |        |         |
| Senator Dover           | ✓       |        |         |
| Senator Keating         | ✓       |        |         |
| Senator Smith           | ✓       |        |         |
| Senator Thomas          | ✓       |        |         |
| Senator Van Valkenburg  | ✓       |        |         |
| Senator Stimatz         | ✓       |        |         |
| Senator Story           | ✓       |        |         |
| Senator Ochsner         | ✓       |        |         |
| Senator Haffey          | ✓       |        |         |
| Senator Jacobson        | ✓       |        |         |
| Senator Regan           | ✓       |        |         |
| Senator Lane            | ✓       |        |         |
| Senator Aklestad        | ✓       |        |         |
| Senator Hammond         | ✓       |        |         |
| Senator Tveit           | ✓       |        |         |
| Senator Boylan          | ✓       |        |         |
| Senator Himsl, Chairman | ✓       |        |         |
|                         |         |        |         |
|                         |         |        |         |
|                         |         |        |         |

DISPOSITION OF HOUSE BILL 407: This would be \$25,000 to SRS to support the network of food banks.

MOTION by Sen. Jacobson, Do Pass.

ROLL CALL VOTE, passed with Sen. Regan to carry the bill.

DISPOSITION OF HOUSE BILL 112: This is the disaster emergency fund.

MOTION by Sen. Dover that House Bill 112 Do Pass.

SUBSTITUTE MOTION by Sen. Aklestad to amend from \$1.5 million to \$1 million. Voted and passed with Senators Regan and Jacobson voting No.

QUESTION called on the bill as amended. Voted and passed, unanimous. Sen. Dover to carry the bill.

DISPOSITION OF HOUSE BILL 820: This bill provides the mechanism for the airport improvements. Instead of a one-year basis, it sets up a possibility of a cycle. It would take some of the money and loan it.

MOTION by Sen. Haffey to move the amendments. (Amendments attached) Voted and passed with Sen. Regan voting No.

SEN. DOVER moved House Bill 820 As Amended, Do Pass. Voted and passed, unanimous with Sen. Haffey to carry the bill.

DISPOSITION OF HOUSE BILL 885: This is the bonding program.

SEN. AKLESTAD: There were projects eliminated before because not enough revenue. All the projects have an amount. In light of the review then--

MOTION: I would move the projects deleted in the House be put back in. (He listed the projects) With those projects in, the department would review the projects.

SEN. DOVER: Does this give you many problems?

SEN. LANE: Put them in but before the bonds are reviewed they should be cleared by the DNRC. ARP is not amended.

SEN. DOVER: Does it create a problem?

LEO BERRY: There were 4 projects on page 3 and 4 that were in the bill in the House. They are the only ones knocked out. The others were proposed as amendments in the bill but were never included. The only concern is we know how much these 4 projects would cost but have no idea what any of the others would be. Noxon was the only one stuck into the bill after written because it was in the process of being reviewed and is completed now.

SEN. HIMSL: In your amendment they have the flexibility?

SEN. AKLESTAD. They should be reviewed separately.

# STANDING COMMITTEE REPORT

.....April 13,..... 19 33..

MR. PRESIDENT:.....

We, your committee on.....FINANCE & CLAIMS.....

having had under consideration .....HOUSE..... Bill No. 320.....

Asay (Haffey)

Respectfully report as follows: That.....HOUSE..... Bill No. 320,.....  
third reading (blue copy), be amended as follows:

1. Page 2, line 3.  
Following: "department"  
Insert: "of administration"  
Following: "used"  
Insert: ", upon recommendation of the department of commerce,"
2. Page 2, line 9.  
Following: "portion,"  
Strike: "as established by law"  
Insert: "as provided in [House Bill 900]."
3. Page 2, line 10.  
Following: "bonds"  
Insert: "upon the authorization and sale of the bonds by the state and  
notwithstanding the provisions of Title 17, chapter 7, part 2"

XXXXXX

(continued)



April 13, 1933

4. Page 2, line 13.

Strike: "subsection"

Insert: "subsections"

Following: "(3)"

Insert: "and (4)"

5. Page 2, line 14.

Following: line 13

Insert: "(4) All loans must:

(a) bear an interest rate that fully retires the long range building bonds issued under the authorization provided by the 48th Legislature;

(b) mature not later than such bonds; and

(c) include reimbursement of administrative costs as required by subsection (5)."

Renumber: subsequent subsections

6. Page 3, line 4.

Following: "date"

Insert: "- termination date"

7. Page 3, line 5.

Following: "approval."

Insert: "This act terminates on June 30, 1985, except that a loan made prior to June 30, 1985, is subject to the provisions of this act notwithstanding the duration of such loan."

And, as so amended,  
BE CONCURRED IN

*M.C.*

PROPOSED AMENDMENTS TO HOUSE BILL 320 - (Blue Copy)

1. Page 2, line 3.

Following: "fund to the credit of the"

Strike: remainder of line 3

Insert: "department of administration, to be used, upon recommendation of the Department of Commerce, to provide"

2. Page 2, line 9.

Following: "portion."

Strike: "as established by law"

Insert: "as provided in HB 300 of the 48th Legislature"

3. Page 2, line 13.

Strike: "subsection"

Insert: "subsections"

Following: "(3)"

Insert: "and (4)"

4. Page 2.

Following: line 13

Insert: "(4) All loans must (a) bear an interest rate that fully retires the long range building bonds issued under the authorization provided by the 48th Legislature, (b) mature not later than such bonds; and (c) include reimbursement of administrative costs as required by subsection (5).

Renumber: subsequent subsections

5. Page 3, line 4.

Following: "date"

Insert: "termination"

6. Page 3, line 5.

Following: "approval."

Insert: "This act terminates on June 30, 1965, except that a loan made prior to June 30, 1965 is subject to the provisions of this act notwithstanding the duration of such loan."

AMENDMENT TO HB820 (*Blue Copy*)

1. Page 2, line 10.

Following: "bonds"

INSERT: "upon the authorization and sale of the bonds  
by the state and notwithstanding the provisions  
of title 17, chapter 7, part 2"

JUSTIFICATION FOR AMENDMENT  
OF HB 820

This amendment is necessary because existing statute defines long-range building projects in a manner that precludes local ownership of such facilities.

Section 17-7-201, MCA defines long-range building as:

17-7-201 (1) (c) building, facility, or structure owned or to be owned by a state agency, including the department of highways.

17-7-201 (2) "Building" does not include a:

(a) building, facility, or structure owned or to be owned by a county, city, town, school district, or special improvement district;

This amendment allows for the Long-Range Building Program bond proceeds to be used for airport projects owned by entities other than the state. This amendment removes the question of whether the loan program is incompatible with existing law.